

Charles L. Best
Attorney at Law
1631 NE Broadway #538
Portland, OR 97232-1425
Telephone: (503) 287-7160/ Facsimile: (503) 287-7160
E-mail: chuck@charleslbest.com
Web site: www.charleslbest.com

August 23, 2010

Oregon Public Utility Commission
Attn: Filing Center
P.O. Box 2148
Salem, OR 97308-2148

Re: Um 1431; Frontier Northwest's Request for Partial Waiver of Conditions

Dear Commission,

Enclosed for filing are an original and three copies of Frontier Communications Northwest, Inc.'s Request for Partial Waiver of Conditions in Order No. 10-67. If you have any questions regarding this filing, please don't hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Charles L. Best", with a long horizontal flourish extending to the right.

Charles L. Best

encls

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1431

| | | |
|---|---|----------------------------|
| In the Matter of |) | |
| VERIZON COMMUNICATIONS INC., |) | REQUEST FOR PARTIAL WAIVER |
| and FRONTIER COMMUNICATIONS |) | OF CONDITIONS IN ORDER |
| CORPORATION |) | NO. 10-067 |
| Joint Application for an Order Declining to |) | |
| Assert Jurisdiction, or, in the alternative, to |) | |
| Approve the Indirect Transfer of Control of |) | |
| VERIZON NORTHWEST, INC. |) | |
| |) | |
| |) | |
| |) | |

Pursuant to ORS 756.040, Frontier Communications Northwest, Inc. (Frontier Northwest) files this Request for the Commission to waive certain limited parts of Condition No. 12 and Condition No. 52 in Order No. 10-067 relating to financial reporting as Commission Staff and Verizon Northwest, Inc. (Verizon Northwest) had previously agreed that it was no longer necessary for Verizon Northwest to gather the information and file certain reports which are the subject of Conditions 12 and 52.

On February 24, 2010, the Commission issued Order 10-067 approving the Joint Application of Verizon Communications Inc. and Frontier Communications Corporation to transfer control of Verizon Northwest with numerous conditions. Condition No. 12 states that “Under the current operating structure, financial reporting will remain unchanged with each Operating Company submitting a Form-O and Form-I”. Prior to the transaction, Verizon

Northwest had not been filing Form- I with the OPUC since the FCC issued Order, FCC 08-271, forbearing from regulation and granting Verizon relief from legacy accounting and reporting requirements. As a result of this forbearance, Verizon Northwest no longer developed the underlying data on separations factors and ARMIS reporting. Consequently, for periods prior to the closing of the Frontier/Verizon transaction, Staff agreed that Verizon Northwest was not required to file a Form-I report with the Oregon Commission because the underlying data for this report was no longer captured. Condition No.12 states that “financial reporting will remain the same” for Citizens Telecommunications Company of Oregon (CTCO) and Frontier Northwest. Since it appears from the Order that the Commission’s intent was to have the reporting relative to Form-I “remain the same” and Verizon Northwest (now renamed Frontier Northwest) has not been collecting the underlying data, the Commission should waive the requirement of Condition 12.

Similarly, Condition No. 52 states that: “Within 90 days after the close of this transaction, Frontier Northwest will file with the Commission affiliated interest agreements including an updated Cost Allocation Manual for services that reflect as charges and credits to operating accounts in CTCO’s and Frontier Northwest’s Form O”. In the FCC’s forbearance order noted above, Verizon Northwest was also relieved of Cost Assignment Rules that had imposed detailed substantive accounting obligations including the Cost Allocation Manual. As a result, the Company also no longer submitted to the Commission an Oregon specific Cost Allocation Manual (CAM). Requiring the new Company to manually create these reports would be very time consuming, costly and require underlying data that is no longer collected or prepared by Frontier Northwest.

Consequently, Frontier Northwest requests that the Commission waive the requirement in Condition 12 to file Form I for Frontier Communications Northwest Inc. CTCO will continue to submit the Form I. Additionally, Frontier Northwest requests the Commission waive the requirement in Condition 52 for Frontier Northwest to submit a CAM. CTCO will continue to submit an annual CAM. Frontier Northwest has consulted with Staff on the language in these two conditions and Staff has indicated that they will support this Request for Waiver. Waiving these requirements of Conditions 12 and 52 is in keeping with the language in Condition No. 12 that states that current financial reporting would remain "unchanged."

CONCLUSION

Consistent with prior practice for Verizon Northwest Inc., Frontier Northwest respectfully requests that the Commission waive the requirement in Condition 12 for Frontier Northwest to file Form I and waive the requirement in Condition 52 for Frontier Northwest to submit a CAM to the Commission. Because the CAM filing is due in late September 2010, Frontier Northwest respectfully requests that the waiver be granted on an expedited basis.

Respectfully submitted this 23th day of August, 2010.

By: 

Charles L. Best
Attorney at Law
OSB No. 781421
1631 NE Broadway #538
Portland, Oregon 97232-1425
Tel: 503-287-7160
Fax: 503-287-7160
chuck@charleslbest.com